

**REPORT ON RACETRACK CASINO LICENSEE
COMPLIANCE WITH STATUTORY EMPLOYMENT AND
PROCUREMENT CONDITIONS
4TH QUARTER 2003**

Prepared for February 17, 2004 Board Meeting

Applicants who were granted licenses to operate racetrack casinos in the state are required by statute to meet specific economic development provisions under the Louisiana Pari-mutuel Live Racing Facility Economic Redevelopment and Gaming Control Act, La. R.S. 27:351 *et seq.*

This report illustrates racetrack gaming licensee compliance with statutory employment and procurement conditions.

La. R.S. 27:352 provides:

The legislature hereby finds and declares it to be the public policy of this state that:

(1) Pari-mutuel wagering facilities which offer live horse racing have historically made great contributions to the economic development of the state at large and particularly the agricultural and horse breeding industries.

(2) Recent legalization of additional forms of wagering other than pari-mutuel wagering on horse racing such as lottery, riverboat gaming, and land based casino gaming have, and will continue to have, a substantial negative and detrimental effect upon live horse racing as well as the thoroughbred and quarter horse industries in general.

(3) Authorization of certain specified gaming activities, such as the competitive offering of slot machine gaming at specifically defined eligible live racing facilities, will revitalize and rehabilitate those facilities within strategically located geographic areas of the state, and will further result in overall economic development and additional revenues to the state and parishes where those facilities are located.

La. R.S. 33:9551 (F), La. R.S. 33:9561 (F) and La. R.S. 33:9571 provide in pertinent part:

Louisiana preference. In purchasing or contracting for goods and services, the licensed eligible facilities shall give preference and priority to Louisiana residents, laborers, vendors, and suppliers except where not reasonably possible to do so without added expense, substantial inconvenience, or sacrifice in operational efficiency. In considering applicants for employment, the licensed eligible facilities shall give preference and priority to Louisiana residents, and no less than eighty percent of the persons employed by the licensed eligible facility must have been residents of the state for at least one year immediately prior to employment.

The Act as amended and reenacted by Senate Bill 828 of the Regular Session, 2003, provides for gaming at four live horseracing facilities in Louisiana: Delta Downs, Evangeline Downs, The Fairgrounds and Louisiana Downs. Currently three racetrack casinos, Delta Downs in Calcasieu Parish, Harrah's Louisiana Downs in Caddo Parish, and The Old Evangeline Downs in St. Landry Parish are in operation.

This report is taken from figures reported by three operating racetrack casinos to the Louisiana Gaming Control Board for the 4th calendar quarter of 2003. Approximately 2,009 people were employed by the industry. Of that number 1,796 were Louisiana residents, 858 were minorities and 1,205 were women.

1. **BOYD RACING, LLC**
(d/b/a Delta Downs Racetrack and Casino)

Date of Application: June 19, 2001
License Granted: January 13, 2002
Commencement of Operations: February 12, 2002

A. Statutory Conditions:

i. Employment Conditions:

Hire 80% Louisiana residents

ii. Procurement Conditions:

Louisiana Preference

Actual Results Per Quarterly Reports Supplied By Boyd Racing, L.L.C.
(d/b/a Delta Downs Racetrack and Casino)

i. Employment Results:

Total	1,057
Louisiana	81.5% (861)
Minority	30.6% (323)
Women	61.1% (646)

Employment	Statutory Conditions	Q 1 (2003)	Q 2 (2003)	Q 3 (2003)	Q 4 (2003)	Average
Total		1,018	1,049	1,012	1,057	1,034
Louisiana Residents	80%	78.1% 795	80.2% 841	80.5% 815	81.5% 861	80.1%
Minority	None	30.4% 309	29.6% 311	29.8% 302	30.6% 323	30.1%
Women	None	57.4% 584	59.0% 619	61.9% 626	61.1% 646	59.9%

ii. Procurement Results:

Louisiana	64.1%
Minority	3.5%
Women	19.2%

Procurement	Statutory Conditions	Q 1 (2003)	Q 2 (2003)	Q 3 (2003)	Q 4 (2003)	Average
Louisiana Businesses	Louisiana Preference	58.4%	63.4%	58.3%	64.1%	61.1%
Minority Owned Businesses	None	4.0%	8.0%	9.0%	3.5%	6.1%
Women Owned Businesses	None	18.2%	12.5%	13.9%	19.2%	16.0%

**2. HARRAH'S BOSSIER CITY INVESTMENT COMPANY, L.L.C.
(d/b/a Harrah's Louisiana Downs)**

Date of Application: December 20, 2002
License Granted: February 18, 2003
Commencement of Operations: May 21, 2003

A. Statutory Conditions:

i. Employment Conditions:

Hire 80% Louisiana residents

ii. Procurement Conditions:

Louisiana Preference

**Actual Results Per Quarterly Reports Supplied By
Harrah's Bossier City Investment Company, L.L.C.
d/b/a Harrah's Louisiana Downs**

i. Employment Results:

Total	265
Louisiana	96.2% (255)
Minority	50.2% (133)
Women	50.6% (134)

Employment	Statutory Conditions	Q 2 (2003)	Q 3 (2003)	Q 4 (2003)
Total		291	287	265
Louisiana Residents	80%	96.9% 282	96.5% 277	96.2% 255
Minority	None	54.3% 158	53.0% 152	50.2% 133
Women	None	53.6% 156	51.9% 149	50.6% 134

ii. Procurement Results:

Louisiana	46.3%
Minority	9.3%
Women	6.7%

Procurement	Statutory Conditions	Q 2 (2003)	Q 3 (2003)	Q 4 (2003)
Louisiana Businesses	Louisiana Preference	45.3%	45.0%	46.3%
Minority Owned Businesses	None	12.8%	15.3%	9.3%
Women Owned Businesses	None	10.6%	12.8%	6.7%

3. THE OLD EVANGELINE DOWNS, LLC

Date of Application: July 12, 2002
License Granted: January 21, 2003
Commencement of Operations: December 19, 2003

A. Statutory Conditions:

i. Employment Conditions:

Hire 80% Louisiana residents

ii. Procurement Conditions:

Louisiana Preference

**Actual Results Per Quarterly Reports Supplied By
The Old Evangeline Downs, LLC**

i. Employment Results:

Total	687
Louisiana	99% (680)
Minority	59% (402)
Women	63% (425)

Employment	Statutory Conditions				Q 4 (2003)
Total					687
Louisiana Residents	80%				99% 680
Minority	None				59% 402
Women	None				63% 425

ii. Procurement Results:

Louisiana	27%
Minority	.01%
Women	.02%

Procurement	Statutory Conditions				Q 4 (2003)
Louisiana Businesses	Louisiana Preference				27%
Minority Owned Businesses	None				.01%
Women Owned Businesses	None				.02%